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Speeches and Major Press Releases

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USDA ANNOUNCES 1984 RICE PROGRAM

WASHINGTON, Dec. 16—Secretary of Agriculture John R. Block today said provisions of the 1984 rice program, will include a 25 percent acreage reduction requirement. The signup period will be Jan. 16 through Feb. 24.

There will be no payment-in-kind program for the 1984 rice crop.

To be eligible for program benefits, Block said, producers need to limit 1984 rice plantings to no more than 75 percent of the farm's rice base and devote to an acreage conservation reserve eligible cropland equal to 33.33 percent of the 1984 planted acreage.

Other major details of the 1984 rice program include:

- A target price of \$11.90 per hundredweight, the statutory minimum.

- A national average loan and purchase price of \$8 per hundredweight, the statutory minimum. Block said he set the rate at the minimum since U.S. rice exports in 1984 are forecast to be low because the loan rate makes U.S. rice uncompetitive in some export markets. The whole kernel loan rates per pound will be 14.96 cents for long grain and 10.81 cents for medium and short grain. The broken kernels rate is 6.2 cents per pound.

- Farm-stored rice loans will be based on the national average loan rate of the type of rice used as loan collateral.

- The 1984 acreage base will be the average of the acreage planted and considered planted to rice in 1982 and 1983. No adjustments of rice bases for the control of red rice shall be permitted.

- There will be no advance of deficiency payments.

- Haying will not be permitted on the conservation use acreage. However, the acreage may be grazed except during the six principal growing months.

- Offsetting compliance will not apply.

- Contracts will be considered as binding and will provide for liquidated damages for failure of participants to comply with program requirements.

— Land designated for conservation use must have been devoted to row crops or small grains in two of the last three years.

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U.S.-SOVIET GRAIN AGREEMENT TALKS SET FOR LONDON

WASHINGTON, Dec. 19—The first session of regular, semi-annual consultations called for under the new U.S.-Soviet long-term grain agreement is scheduled for Jan. 24-25 in London.

The agenda will be the same as that followed in consultations under the old agreement, according to Under Secretary of Agriculture Daniel G. Amstutz, who will head the U.S. delegation. It will include a review of the worldwide and U.S.-USSR grain situations and the status of and prospects for shipments and sales in the current agreement year, which began on Oct. 1.

Soviet Deputy Minister of Foreign Trade Boris Gordeev will lead the USSR team.

The long-term agreement calls for the Soviet Union to take a minimum of 9 million tons of grain annually. That country has bought 6.7 million tons of wheat and corn and 400,000 tons of soybeans, so far, for shipment in the current agreement year.

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APPEALS COURT UPHOLDS USDA AUTHORITY TO DENY REGISTRATION

WASHINGTON, Dec. 19—A U.S. Appeals Court has upheld the U.S. Department of Agriculture's authority to refuse the registration of anyone to operate as a market agency when the registration would circumvent a suspension order.

The U.S. Seventh Circuit Court issued the ruling in response to Diane Mattes' appeal of USDA's refusal to accept her registration under the Packers and Stockyards Act to operate Mattes Livestock Auction, Inc., Thorp, Wisc., during a 21-day suspension period.

The auction firm and Philip Mattes, Jr., Mattes' husband, had agreed in April 1982 to suspensions and cease and desist orders to settle charges that they had shortages and had misused funds in the market's custodial account.

B.H. Jones, head of USDA's Packers and Stockyards Administration, said the firm's 21-day suspension will start Jan. 8.

"The court's ruling strongly affirms USDA's long-established position that the provisions of a suspension order must not be circumvented, and USDA will continue to pursue that policy," Jones said.

Market agencies are required, under the Packers and Stockyard Act, to protect funds due to consignors from the sale of their livestock.

The act is an antitrust, fair trade practice and payment protection law. It is designed to maintain integrity in the marketing of livestock, poultry and meat and in the marketplace.

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U.S. SUGAR IMPORT FEE TO REMAIN AT ZERO CENTS PER POUND

WASHINGTON, Dec. 20—The import fee for raw sugar will remain at zero cents per pound during the first quarter of 1984, Secretary of Agriculture John R. Block said today. The fee has been at that level since late 1982.

The fee for refined sugar, which under the proclamation is set at one cent above the raw sugar fee, also is unchanged.

The U.S. Department of Agriculture is required to make a quarterly determination of sugar import fees under a presidential proclamation issued in May 1982. The key factor in the fee determination is the domestic sugar spot price, as reported by the Coffee, Sugar and Cocoa Exchange in New York, during a base period of 20 market days.

The base period for the coming quarter was Nov. 21-Dec. 19, inclusive, and the average price was 21.568 cents per pound. Since this was higher than the market stabilization price of 21.17 established under the sugar support program, the import fee is zero. If the average price was below the stabilization price, the fee would be the difference.

Block said U.S. sugar prices have been relatively stable as a result of the border control measures instituted in May 1982.

Block also said world sugar prices are still at uneconomically low levels, reflecting the subsidized exports of the European Community and the continuing world oversupply of sugar. He said he expects no basic change in this situation in the near future.

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USDA OPENS 1984 FOOD SAFETY POSTER CONTEST

WASHINGTON, Dec. 21—The U.S. Department of Agriculture is mailing teaching kits to elementary schools across the country this week to open the 1984 National Food Safety Poster Contest on "Summertime Food and Fitness."

The contest—an annual event since 1981—is sponsored by USDA's Food Safety and Inspection Service to teach youngsters how to properly handle and prepare perishable foods, said Secretary of Agriculture John R. Block.

The teaching material uses a picnic theme to explain why people must be extra careful to adequately cool and refrigerate food during the hot summer months, when more cases of food poisoning occur. Some 300,000 children were affected by food poisoning illness last year alone.

The kits also emphasize physical fitness for youngsters—a tie-in to USDA's current Food and Fitness Campaign. Children, as well as adults, need to understand good health depends both on safe and wholesome food and on fit bodies, Block said.

"We are strongly committed to consumer education at USDA," said Block. "The children's poster contest is really just that—consumer education for the younger generation.

"USDA meat and poultry inspection assures that products are safe, wholesome and accurately labeled when they reach the stores, but it's up to consumers to keep them that way," Block said. "The poster contest is an excellent vehicle for getting this kind of information to children. First they learn the basic rules of food safety. Then they must use those rules to design their posters."

USDA is sending kits to about 72,000 public and private grade schools for the 1984 contest, which runs through March. 12. Winners will be announced in May.

First-place winners and their teachers will each win a \$200 U.S. savings bond, plus a trip to Washington, D.C., for the June awards ceremony. Parents of the winners also receive the trip. In addition, the winning children's schools will receive \$400 for library and audiovisual equipment.

Second-place winners and their teachers will win \$100 bonds. Third place winners and their teachers will win \$50 bonds.

Donors for this year's prizes are the National Broiler Council, the National Pork Producers Council, the American Meat Institute and the National Meat Association.

Teachers or principals who have not received the teaching kit by the end of December may request kits from: 1984 National Food Safety Poster Contest, P.O. Box 14313, Dayton, Ohio, 45414.

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PAYMENT LIMITATION PROPOSED FOR 1984 WHEAT PIK PROGRAM

WASHINGTON, Dec. 21—The number of acres a wheat farmer can enroll in the U.S. Department of Agriculture's 1984 payment-in-kind program will be limited so that no farmer will receive more than \$50,000 in benefits, a USDA official said today.

Everett Rank, administrator of USDA's Agricultural Stabilization and Conservation Service, said payment limitation is a ceiling imposed by law on the total amount of payments a farmer can receive for participation in USDA's production stabilization programs.

Generally, a farmer can receive no more than \$50,000 a year. However, price support loans, special disaster assistance and/or cost-sharing for approved, enduring conservation practices are not subject to this limitation, Rank said.

"Because the 1984 wheat loan rate was reduced from the statutory \$3.55 per bushel to \$3.30 per bushel to maintain our domestic and

export markets, a portion of the deficiency payment rate may not be subject to the \$50,000 payment limitation," Rank said.

"The amount of deficiency payment not subject to the \$50,000 limit will be the amount that the deficiency payment rate exceeds the difference between the old \$3.55 loan rate and the \$4.45 target price. This will ensure that the total returns to participating farmers will be the same as if the adjustment in the loan level had not been made," he said.

"We do not believe the payment limitation statute applies to PIK commodities and we did not apply the limitation to last year's PIK program," said Rank. "This view has now been challenged by the General Account Office and some members of Congress.

"We continue to believe we are correct, but the issue must be put to rest so that we can get on with implementation of the 1984 PIK program for wheat. Therefore, we have decided, as a matter of administrative policy, that a farmer will not be allowed to receive a combination of PIK compensation and cash payments for participating in production stabilization programs that exceed \$50,000, using the 1984 county wheat loan rate to determine the value of the PIK."

Rank said a proposal to make the necessary changes in the PIK program regulations will be published soon in the Federal Register and that final action on the changes would be completed before the sign-up period for the 1984 program ends Feb. 24.

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FOOD PRICES AVERAGE LOWER NOVEMBER

WASHINGTON, Dec. 21—The consumer price index (CPI) for food in November fell 0.1 percent from the October level (before seasonal adjustment), according to the monthly consumer price index released today by the U.S. Department of Labor.

Prices for food bought in grocery stores in November declined 0.3 percent from the October level, and were only 1.1 percent above November a year ago. In contrast, prices for restaurant meals and snacks rose 0.3 percent in November and were 4.3 percent above a year earlier.

According to Assistant Secretary of Agriculture William Lesher, "Food prices in 1983 have been remarkably stable. Prices for food bought in grocery stores were only 1 percent above last year's levels. The overall increase in 1983 food prices will be the smallest in 16 years. Lower meat prices have been largely responsible for moderating the increase in overall food prices. The CPI for red meat has fallen every month since May, resulting in a 5.5 percent decline in this index."

Prices for red meats dropped 0.7 percent in November. Beef and veal prices fell only 0.2 percent, but pork prices declined 2.2 percent in November, reflecting continued large hog slaughter. Pork prices in November were 12.1 percent below a year earlier.

Poultry prices increased 1.1 percent in November, due to stronger consumer demand during the Thanksgiving holiday. Egg prices rose 4 percent. Egg production has decreased, partly because of the avian flue epidemic, but primarily because of high feed costs.

Fruits and vegetables prices also dropped in November. Fresh fruit prices declined 5.3 percent, reflecting sharply lower prices for apples and bananas. Fresh vegetable prices declined 2.7 percent, led by lower prices for lettuce and potatoes.

November Retail Food Prices, Percent Change for Selected Items

Items	October to November		November 1982 to November 1983
	Not seasonally adjusted	Seasonally adjusted	
<i>Percent change</i>			
All food	-0.1	0.1	2.1
Food away from home	0.3	0.5	4.3
Food at home	-0.3	-0.1	1.1
Meats	-0.7	-0.5	-5.5
Beef and veal	-0.2	0.0	-2.3
Pork	-2.2	-1.8	-12.1
Other meats	0.2	*	-3.3
Poultry	1.1	*	5.1
Eggs	4.0	-0.6	19.0
Fish and seafood	0.2	0.4	2.3
Dairy products	0.0	*	1.1
Fats and oils	1.6	*	6.5
Cereals and bakery prods.	0.6	*	3.6
Fruits and vegetables	-2.6	-1.0	4.6
Nonalcoholic beverages	-0.3	0.1	2.1
Sugar and sweets	0.1	*	1.5
Other prepared foods	0.4	*	2.8

* A seasonally adjusted index is not available for these items.

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USDA TO REQUIRE 7-CENT PRODUCER CONTRIBUTION FOR FLUE-CURED TOBACCO

WASHINGTON, Dec. 22—As a condition for price support on 1984 flue-cured tobacco, producers must agree to contribute 7 cents per pound to a no-net-cost tobacco fund on all flue-cured tobacco sold, Secretary of Agriculture John R. Block said today.

The contributions ensure that the tobacco support program will be operated at no net cost to taxpayers in conformity with the No Net Cost Tobacco Program Act of 1982, Block said.

The Flue-Cured Tobacco Cooperative Stabilization Corporation had recommended a 7-cent contribution after consultation with the U.S. Department of Agriculture, Block said.

He also said the previous requirement that owners of flue-cured tobacco farms who lease and transfer all or any part of a marketing quota must contribute to the no-net-cost fund an amount equal to the producer's contribution was cancelled by the Dairy and Tobacco Adjustment Act of 1983.

The 7-cent contribution is expected to offset losses that might occur on the 1984 crop, Block said.

For the 1984 crop, producers who market tobacco ineligible for price support because they have not agreed to contribute to the fund will be subject to the same penalty that applies to the marketing of excess tobacco, Block said. The penalty equals 75 percent of the previous year's average market price.

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MEAT AND POULTRY ADVISORY COMMITTEE TO MEET JAN. 18 AND 19

WASHINGTON, Dec. 22—The U.S. Department of Agriculture's Meat and Poultry Advisory Committee will meet in Atlanta, Ga., Jan. 18 and 19.

The meeting, which will be held at the Georgia World Congress Center, 285 International Blvd., begins at 9 a.m. each day and is open to the public.

The committee advises the secretary of agriculture on issues pertaining to the meat and poultry inspection program.

Committee members will discuss:

— A proposal to require more prominent labeling of cheese substitutes and a minimum amount of natural cheese in meat pizzas;

- Proposed standards for cooked poultry sausage;
- Proposals for more conspicuous labeling of pet food;
- An update on fish protein;
- Criminal activities in the meat and poultry area;
- Import inspection and review of foreign inspection systems;
- Meat and poultry exports to the European Economic Community;
- Audit results of meat and poultry industries; and
- The fiscal year 1985 budget for USDA's Food Safety and Inspection Service.

Comments on any of these issues should be sent to: Catherine DeRoever, Executive Secretariat, Room 335-E, Administration Bldg., USDA, Washington, D.C. 20250.

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USDA PROPOSES EXPANDING LIST OF RESTRICTED WEEDS

WASHINGTON, Dec. 22—Under a new U.S. Department of Agriculture proposal, 55 species of weeds would be added to the list of "import restricted" foreign noxious weeds.

The move would bring the total number of foreign weeds restricted under the 1974 Federal Noxious Weed Act from 357 to 412, said B.W. Hawkins, administrator of USDA's Animal and Plant Health Inspection Service. Restricted weed species can be imported into the United States only under special USDA permits.

"One weed we're proposing to restrict is the aquatic weed Lagarosiphon, which is similar to the hydrilla weed that is clogging waterways in California and Florida," Hawkins said. "Another 40 parasitic weeds, including all species of aegineta and alecra, could significantly reduce yields of several U.S. crops. We are also proposing to restrict 14 terrestrial weeds."

The list, last expanded in May, is compiled by a group of botanists, agriculturalists and weed scientists. Although some of the weeds are found in limited areas in the United States, all are of foreign origin and could enter the country on imported products, Hawkins said.

Notice of the proposal is scheduled to be published in the Dec. 23 Federal Register. Written comments or requests for a public hearing should be sent to Thomas O. Gessel, Director, Regulatory Coordination Staff, USDA, APHIS, 728 Federal Building, 6505 Belcrest Rd., Hyattsville, Md. 20782.

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FROZEN GRAVY AND SLICED BEEF RECALLED IN PHOENIX, ARIZ.

WASHINGTON, Dec. 22—Romanelli's Inc., Phoenix, Ariz., is recalling 32-ounce plastic tubs of frozen "Mama Romanelli's Italian Brand Gravy and Sliced Beef" marketed in the Phoenix area after the U.S. Department of Agriculture found organisms in the product that could possibly cause food poisoning.

The company has removed 1,248 tubs of the beef and gravy from distribution. While about 2,000 tubs are unaccounted for, officials of the firm estimate most of the 2,000 have already been eaten. No illness have been reported from eating the product.

The product can be identified by the brand name, 32-ounce size and the mark, "Est. 4993," which appears on the label. Consumers generally would have bought the gravy and beef in the frozen foods section of a supermarket or other retail outlet.

"Anyone who has frozen 'Mama Romanelli's Italian Brand Gravy and Sliced Beef' should return it to the store where they bought it," said Donald L. Houston, administrator of USDA's Food Safety and Inspection Service. "Do not taste the food to determine if it is bad.

"USDA tested the product after a consumer complained to health officials about an off-odor," Houston said. "When the gravy and sliced beef was tested in laboratories, USDA scientists found Clostridium perfringens organisms."

Clostridium perfringens can cause diarrhea and gas pains some eight to 24 hours after eating.

No other products produced by the company are involved in the recall.

USDA is responsible for ensuring that all meat and poultry products sold in commerce are safe and wholesome and properly labeled.

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TOP USDA OFFICIALS TO TRAVEL WORLDWIDE IN MAJOR SALES CAMPAIGN

WASHINGTON, Dec. 23—Secretary of Agriculture John R. Block and other top U.S. Department of Agriculture officials will visit a number of countries in January and February in an attempt to bolster sales of U.S. farm products which have been declining in recent years.

The U.S. officials will meet with government and private industry agricultural representatives in all host countries to discuss market opportunities and to reinforce the position of the United States as a reliable supplier of agricultural products.

Block will lead a trade team to West Germany, Israel, Algeria and Morocco on Jan. 25-Feb. 4. The team will consist of USDA and U.S. State Department officials and representatives of U.S. trade groups including the U.S. Feed Grains Council, U.S. Wheat Associates and the American Soybean Association.

Under Secretary of Agriculture Daniel G. Amstutz will leave Jan. 23 for East Germany, Hungary and Yugoslavia as part of U.S. market development efforts. He will also be in London to represent the United States in grain trade consultations with the Soviet Union and then in Paris to attend meetings of the Organization for Economic Cooperation and Development. He will return Feb. 4.

Richard A. Smith, administrator of USDA's Foreign Agricultural Service, will visit Colombia, Peru and Chile on Jan. 9-17. He will be accompanied by other USDA officials and representatives of U.S. agricultural trade groups.

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